



**ENVIRONMENTAL SERVICES UTILITY
BOARD MEETING
JANUARY 18TH, 2022
SUMMARY OF MINUTES**

The meeting for Kankakee Environmental Services Utility was held on Tuesday, January 18TH 2022 at 6:00 P.M. in the Public Safety Building.

ESU Members Present

Ald Carmen Lewis
Ald Mike O'Brien
Ald Larry Osenga
Ald Danita Swanson
Ald Kelly Johnson
Ald Reginald Jones
Mayor Chris Curtis

Interim Superintendent

Dave Tyson, PR, IPLS

Additional Alderman Present

Ald Lance Marczak
Ald Mike Cobbs

ESU Staff Present

Zach Newton, GIS/Oper's Mgr
Dennis Doyle, DPW Asst. Supt.
James Lopez, DPW Oper's Mgr
Ryan McGinnis, Lab Coordinator

Others Present

Elizabeth Kubal, Comptroller

MAYOR CURTIS:

The Environmental Services Utility Board meeting is called to order for Tuesday, January 18th, 2022. Are there any public comments? Hearing none we will move on to Section two, which is Roll Call.

ROLL CALL

ZACH NEWTON: Ald Lewis - Present Ald Swanson – Present
Ald Prude - Absent Ald Johnson - Present
Ald O’Brien - Present Ald Jones - Present
Ald Osenga – Present Clerk Gall – Absent
Mayor Curtis - Present
PRESENT: 7 ABSENT: 2

APPROVAL OF MINUTES

MAYOR CURTIS: We have a quorum. Motion to approve the minutes from Monday, December 20th, 2021. Do I have a motion to approve?

ALD LEWIS: I will make that motion to approve the minutes.

ALD OSENGA: Second.

MAYOR CURTIS: Motioned by Alderwoman Lewis and Seconded by Alderman Osenga. Any questions, comments, changes. Hearing none, Roll Call.

ZACH NEWTON: Ald Lewis - Aye Ald Swanson – Aye
Ald Prude - Absent Ald Johnson – Aye
Ald O’Brien - Aye Ald Jones – Aye
Ald Osenga - Aye Clerk Gall- Absent
AYES: 6 NAYS: 0

APPROVAL OF BILLS

MAYOR CURTIS: Minutes are approved. Thank you. Next on the agenda is the approval of bills and the total amount of \$271,820.29. Do I have a motion?

ALD SWANSON: So move.

ALD JONES: Second.

MAYOR CURTIS: Motioned by Alderwoman Swanson and seconded by Alderman Jones to approve the bills. Are there any questions? Alderman Osenga?

ALD OSENGA: Yes, Mayor there is. Check#31410 I know you and I talked about this today. I didn’t know if the rest of the Committee knew about this. This is the Space Center

MAYOR CURTIS:

We there was anticipation according to the past lease that this would expire on December 31. We did have legal look into it. And there was an estoppel agreement signed by the city of Kankakee approximately 12 or 14 months ago. If you're not familiar with a sample agreement, it basically when there's a transfer sale a lot of times of tenants for what the rent is a security posits and the expiration of lease was a little unclear after 20 years when the expiration was but the estoppel agreements very clear in saying that the effective date of the expiration date is March 15. So, based on that we will have to continue going forward and paying bills through March 15. Now we are completely almost 100% out of the out of the facility. I believe director Tyson there might be a couple little things left.

SUPT. TYSON:

There might be a couple of few things left. But there is a walkthrough actually we're doing with management at 1:30 on Thursday.

MAYOR CURTIS:

Okay. So, we'll be doing that and then the police departments looking at using the facility a little bit some of this month too. So, we are talking to them to see if there's an ability to come to some sort of agreement on some lesser costs going forward because we don't need at this point, but that's where we're at right now. So that is estoppel agreement was found and delivered to us by the landlord so that's what we have to deal with through now through March 15. Any other questions about the bills? Seeing none roll call.

ZACH NEWTON:

Ald Lewis - Aye	Ald Swanson - Aye
Ald Prude - Absent	Ald Johnson - Aye
Ald O'Brien - Aye	Ald Jones - Aye
Ald Osenga - Aye	Clerk Gall - Absent
AYES: 6	NAYS: 0

MAYOR CURTIS:

Bills are approved. Our next item on our agenda, are the monthly activity reports. Starting with Street and Alley DPW.

ACTIVITY REPORTS

DENNIS DOYLE:

Most of it's in your in your report there just a couple of updates. S23 we have got back from the shop so that's back in the fleet. PSI come out and looked at a few things on our

building. One of them being the front wall was hit by a car two weeks ago. We haven't got a price back from them yet or even a good idea what damage is there might be there. So, we'll update you on that. When we get it back. Some time ago. I believe it was last June the West Side Welcome to Kankakee sign was hit by a car hit and run and it nearly back together. Got the base put back together. We were waiting on the sign to be re installed and got hit again. Another hit & run but this time they had to leave the car there. So, it's not clear if there'll be any insurance on that or not. At least at this point we don't have the name of an insurance company. So, we may will we may very well end up eating those costs as well. One more small snowstorm this weekend and that's about it.

MAYOR CURTIS:

Any questions for Mr. Doyle?

ALD O'BRIEN:

(inaudible)

MAYOR CURTIS:

Yes, thank you. We'd like to point out the you know, there obviously has been some stolen some ice but the crews their crews have been out doing a lot. If you look over from Hawkins, the underpass. There are a lot of brush and everything has been cleaned up along there. There were some areas over just off a Schuyler over in the Second Ward by River Street. There were some sidewalks that were blocked. They got those taken care of, I think last couple days. So that's kind of cleaned up that area so they've been out doing what I call a lot of that overgrown over the brush that's kind of doesn't look great with leaves come back on in the spring and summer and so we're getting a lot of that cleaned up right now. So, thank you for that and then I will add I actually I last couple snowstorms we've had here is I will say that. In my opinion the streets have been really good especially with the ice on early in the morning getting out and getting the salt down and it's been very good getting through town so thank you for that. Any questions for Mr. Doyle? Moving on to the ESU Technical Services Report. Clara is not here. Mr. Tyson do you have anything to update on at this point?

SUPERINTENDENT TYSON:

No, I know they've been working on replacing the lights that you know we had list of the streetlights and have been out there working on that they've got all the Christmas decorations obviously down and put away and other than that they're just starting to get back into their normal

routine of working on lift stations and things like that. They pretty much have their new office building pretty much set up.

MAYOR CURTIS: Does anyone have any questions regarding Alderman Jones?

ALD JONES: Is there a light pole for St. Joseph and Court?

MAYOR CURTIS: Is there a light pole there or not there?

ALD JONES: There is no light pole there.

MAYOR CURTIS: So, I'm thinking I'm thinking to one by the marathon. I know we turn them in but you're talking right by St. Joseph by the old field international dealership?

ALD JONES: Right by the bowling alley.

SUPERINTENDENT TYSON: Yeah. Okay I'll look into that in the morning.

MAYOR CURTIS: Okay, we'll take a look at that. Okay. Any other questions? Next for Environmental Services Utility is the report on the Sewer Department.

ZACH NEWTON: Not a whole lot to highlight this month. Just to bring you up to speed. We did pretty much get everything out of the Space Center. As far as I know 99.9% of everything has been moved. Like Dave Tyson said we have a walkthrough this Thursday with the owners. In my opinion, I think we did a great job we went way above and beyond. We've got everything cleared out. Everything fixed up to uphold our end of the bargain. And looking forward to closing that book in moving on to the new building. We're working on getting all that organized 20 years of stuff sorted through and put away and getting back into normal operations.

MAYOR CURTIS: Next up is our industrial lab for the month of December. Mr. McGinnis.

RYAN MCGINNIS: There's not a whole lot to update you guys on the spot. We're still in the process of getting back up to speed. A fully opened up after hiring a new employee and myself training as well. So, we're just in the process of trying to get everything back opened up. We started to run some of

the samples that you've seen the bills that we've been sending out so we're in the process of doing some of those in house but we're not fully back up to speed they're working to get there fast.

FINANCIALS

MAYOR CURTIS:

Any questions from the Alderman regarding Lab Services Okay, next we're going to go with to Item B, which is the financials. Comptroller Kubal, do you want to do this or you want me to

ELIZABETH KUBAL:

Basically, nothing really that large report are still running well under as a general rule I did want to bring to note that the ESU remember we've gotten the (*inaudible*) paid retros done, but the ESU Lab went up and the ESU sewer was triple that are the operators contract separate contracts. So, both of those we are in the final editing there's been a delay not on our part but on the unions. I believe their manager and we have those interviews with Carolyn, I don't know to show that we are close to having those completed. So that retro goes into effect immediately. So, it should not affect these numbers too tremendously. But I would like to keep everybody up to speed on that. Because I'm going through the reports Maurine starting to do that. I see the line by line like this as well when we want to make sure that everything is aligned with budget where it needs to be and if it's not making sure we make notes for the budget which we're getting ready to prepare we're fairly quickly. On page two, I have nothing special report page one. On page two, same thing. I mean, we're supposed to be at 8.7% and all departments are trending under that on the expense side which is excellent. Obviously, debt service comes up monthly. Having paid three again with public works 7.7% We know that could change if we have that white stuff that I don't like cold snow. We know that that race consequently but right now I'm holding our own and we're in a very good position going to the last three months of the year four months. One thing I would like to mention on the revenue side, as you can see, our revenues are continuing are continuing to lag. We know that this has to do somewhat with the industries and their natural holiday slowdown and things that happen. We also believe that there is some industrial activity that has just slowed for whatever the knees are within their own sector. It's just different types of operations and they're running. I noticed the Mayor has

been in some meetings. We will continue to ask questions about this. I'm not nervous at this point. But we will need to take it very, very hard look at his going budget this year. I feel confident will be solid. But I do believe that we're getting ready to (*inaudible*) look at budget. We need to predict this revenue as it is probably a bit of a decrease if businesses and the industries tell us or conversation that it does work that we need to be very mindful of that so I do want to make that note tonight. Other than that, I still have not only worked on the capital account, it's a little bit complicated right now because a lot of ins and outs with the LaBeau building, but we will have a final synopsis on that for the next month. And also well by that point because we are in the month of January I will have the first allotment of the ARP money, a lot of that to the utility which will provide a cash flow source into the utility from whatever has been spent thus far this year out of that 650 that we put in the budget originally the first of the two allocations the 1.59 million to the to the general fund for loss of revenues. And then we did 650,000 For general sewer repairs in the ESU and whatever we've tallied thus far, in January as we were waiting to the first year to do that. Any questions?

ALD CRAWFORD:

Elizabeth, do you remember what our original budget was for the LaBeau Building?

ELIZABETH KUBAL:

That's a great question. Originally, we bond remember the million dollars, that's for sure. And then that was to include purchase price which we know was for quarter round numbers, and then improvements which we knew were going to exceed that. I think Mayor, those first numbers and you might have seen it in your documents or maybe even numbers I want to say like 1.4

MAYOR CURTIS:

I thought the construction cost was 1.3. the awarding of the contract was 1.3. For construction costs the purchase of the building I believe was 425,000.

ELIZABETH KUBAL:

That's for sure. So that would have been there but I think originally, we thought we were gonna be more than that 1.4 price range in total. We knew we were like pushing up against the (*inaudible*) Mayor status about 1.7. So maybe we're at like a 1.2 ish originally and then we were at 1.7 is what it really was. And we will certainly are above that when you see the numbers 1.9 now.

MAYOR CURTIS:

We're compiling those numbers now. I think actual out of pocket expenses is just about 1.9 but we probably have about another \$250,000 It's will need to be allocated to the facility, fencing, asphalt. Something we're going to talk about here shortly with the entry key systems and a few other things so.

ELIZABETH KUBAL:

Now we will be able to though on the bright side of the capital expenditures that have gone over budget, we will be able to use obviously the lease payments that we still had to have many, many months of this year's budget that we'll be scoring for next year's operating budget. So that is a help to us for sure.

MAYOR CURTIS:

Are there any additional questions or comments?
Alderman O'Brien?

ALD O'BRIEN:

(inaudible) revenue side typically part of the process that we have some conversations with to make forecasts

ELIZABETH KUBAL:

Historically Pete and I believe Alan were involved in those discussions. I've not even placed the call to Ryan yet even talked about this before the none of us have talked about this yet. This is just kind of first round budgets are going through my head now. But we definitely have to with our major players on which there's two or three mostly two, we need to find out what are your trends? Are you looking at your operations plan for the next year? They have a very good grasp of that, obviously, with what they have to do with their estimates at this point. We're a little bit lucky that we took off the fiscal year because they're obviously their production stuff will reset pretty much too. I just don't always get in those first line conversations. The Utility staff which makes sense that are in those conversations, but I'm always brought into the summary of them for sure.

ALD O'BRIEN:

(inaudible).

ELIZABETH KUBAL:

They think historically as much as you think they build a proprietary historically, we've gotten really good estimate as far as they're not afraid to tell you what they think their utilization is going to be, you know, they're not going to talk in dollars, but they'll say you know, we expect to do this kind of production. That's our anticipated amount. And

with that said, that usually helps us to forecast what we believe will be our revenue

UNFINISHED BUSINESS

MAYOR CURTIS:

Any the other questions regarding the financials. Okay, thank you. Next there is no old business. There is some unfinished business, just really some updates. Item A is the hydro plant unit one, I did confirm with Mr. Tyson that this the turbine is still in Michigan and still accounted for. So that is there we are right now patiently waiting to see if there's some additional funding from the state level that could help us with the revitalization and updating of the hydro plant and we hope to hear something hopefully in the next 60 to 90 days. So, we're gonna sit tight until we hear what we might be able to hopefully get from the state of Illinois before we take any action so the other item on there is the I&I study at the last meeting that was forwarded out of this committee to the committee of whole for approval. That was my fault. If you remember at the last meeting, we didn't have a quorum at the beginning of our meeting. We did the first several meetings of the Committee of whole but then I did not go back to that item and bring it forward to vote once we did have a quorum. So, we will bring that forward to the I believe it's 27. All right, our next committee the whole meeting at the end of the month, or so. 24th I'm not even close. Okay, so the 24th So we'll bring that to there. That that was again that was a recommendation. I was ready to send out the committee of whole.

NEW BUSINESS

MAYOR CURTIS:

Next is item a new business. At the last meeting we talked about needing Part of the LaBeau building. And again, we got to come up with a name for that. And one of these points but we'll call it the ESU building issue and code building. We do need to Get security systems in place. They're similar to what we have here in admin building for Entry and exit and also we talked about the last meeting that the systems that we have in place here at the Public Safety building and Admin building. If they were to fail, we would not be able to fix some fine parts or be able to repair it. So, if they do go down, it could take at least a minimum probably 10 days probably more likely 10 to 14 days before you can even fix it. So, we did get some numbers that we were going

to put in talking with Director Tyson today. We want to make sure that we got apples to apples here and we're not there's some unanswered questions we still have with what kinds of systems these are going to be that would go in so we want to make sure that we put this together and bring it back to the committee for proper approval because I'm concerned about making sure that work. We've got the same systems that were bidding against each other on so they're in your packet you can see there but we'll be bringing those back to you.

At the next meeting for approval to go forward. I did talk to Comptroller Kubal because like everything, how do we pay for this? And right now, we're looking at probably doing because it's a need that we have to move forward with. We would basically ultimately have ESU pay for this. We do not have capital right now on the issue to cover this cost. So, we would anticipate that this would come out of capital with the due from ESU to pay back capital when the funds are there at the issue and hopefully in the coming year to be able to do that. So that's the plan at this time to create a situation to rectify our entry and exit system. Are there any questions regarding that? Ald O'Brien?

ALD O'BRIEN:

So, when you say when this if the system fails, does that Mean we would not be able to access the building? It means that we would not be able to get in and out of the buildings. That's a pretty big deal.

MAYOR CURTIS:

Yeah. So that's why we're concerned about they had the program software, the software and programs have not been updated. That needs to be so like I said, if they were to go out at any point, and correct me if I'm wrong, or my understanding is we would not be able to get a part or even make it be able to make it work. We couldn't even it would have to be a whole new replacement of the system and the concern would be how long we've been locked out buildings. So, we'd have to bring a locksmith and start putting locks and keys on every door so they can get in and out. So, it's kind of one of those things. I don't think we have much of a decision but we need to move forward on itself. Would it fail in six months or five years? We don't know that answer, but we do know it's got some life too and then it's struggling a little bit. So, our goal would be all three buildings would be tied into the same system. Any other questions? Okay. There is no need for an executive session tonight. Any questions or comments? Seeing none, is there a motion to adjourn?

ADJOURNMENT

ALD OSENGA: So move

ALD JONES: Second.

MAYOR CURTIS: Motioned by Alderman Osenga and seconded by Alderman Jones. All in favor?

ESU BOARD MEMBERS: Aye.

MAYOR CURTIS: Opposed same sign? Okay, we are adjourned.
Thank you.